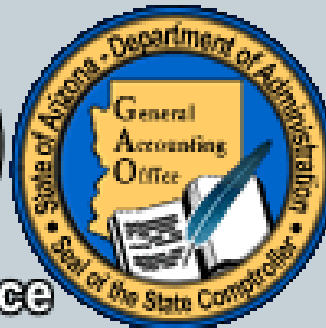


# Statewide Payroll Meeting Fiscal Year End



**MAY 18, 2015**

**GAO**  
General Accounting Office



# Introductions

2

- Stu Wilbur
- Tracey Cappuccio
- Sam Tekien
- Karen Turner
- Lalita Farr
- Vahn Vo
- Misty Castelo
- Brandon Iddings
- Marla Grossman, RASL
- Joanna Greenaway, BREAZ

# Contact Information

3

- **Central Payroll Contact List**
- **Agency Contact List**
  - Human Resources
  - Payroll
  - Accounting
- **Send any updates to Central Payroll**
  - (602) 364-2215 (fax)
  - [Central.Payroll@azdoa.gov](mailto:Central.Payroll@azdoa.gov)



# Website Registration

4

https://gao.az.gov/

General Accounting Office

ADOA-GAO  
General Accounting Office

PUBLICATIONS AFIS PAYROLL / RASL FINANCIALS TRAVEL RESOURCES TRAINING/EVENTS PROJECTS

Financial Reports  
State of Arizona Financial Reports

Read More »

GAO Home

"The GAO is committed to providing excellent service to our citizens, clients, vendors, and employees." - D. Clark Partridge, State Comptroller

Welcome to the Arizona General Accounting Office (GAO)

The General Accounting Office (GAO) is responsible for establishing Statewide accounting policies and procedures, managing the Arizona Financial Information System (AFIS), administering the Statewide Payroll through the Human Resources Information Solution (HRIS), preparing the Statewide Financial Reports, and providing technical assistance and

News & Updates

"GASB 68 Accounting and Auditing Issues – Implementation is Coming Soon... Are You Ready?" a NASACT Webinar.  
05-01-2015

New US Bank Purchasing and Corporate Travel Card Replacements  
04-30-2015

<https://gao.az.gov/>

Scroll Down

Register For Updates



Sign-up to receive the Arizona General Accounting Office eNewsletters.

# GAO Policy Updates

5

- Statewide GAO Policies published as drafts
  - Due to the BREAZ Project, all policies are being reviewed
  - Comments are being accepted
    - ✦ <https://gao.az.gov/publications/saam/saam-draft>

1. Publications
2. State of Arizona Accounting Manual (SAAM)
3. SAAM Draft
4. Topic – 55 Payroll



The screenshot shows the ADOA-GAO website. The header is green with the ADOA-GAO logo and the text "General Accounting Office". Below the header is a navigation bar with links: PUBLICATIONS, AFIS, PAYROLL / RASL, FINANCIALS, TRAVEL, and RESOURCES. The breadcrumb trail reads: Home » Publications » State of Arizona Accounting Manual (SAAM) » SAAM Draft. The main content area is titled "SAAM Draft" and contains three tabs: "State of Arizona Accounting Manual (SAAM)", "Travel Policy", and "SAAM Draft". Below the tabs is a "Choose Topic" dropdown menu with "55 Payroll" selected. The text "55 Payroll" is also displayed at the bottom right of the page.

# GAO Policy Updates

## SAAM Draft

State of Arizona Accounting Manual (SAAM)

Travel Policy

SAAM Draft

### Choose Topic

55 Payroll

#### 55 Payroll

SECTION	TITLE
 05	General Payroll Policies
 06	Employee vs. Independent Contractor
 07	Employment at Multiple Agencies
 10	HRIS
 15	Time Reporting
 20	Direct Deposits of Payroll
 30	Military Emergency Differential Pay
 31	National Disaster Medical System Differential Pay
 35	Employee Relocations
 40	Employee Uniforms
 50	Donations of Annual Leave between Related employees Working in Different Agencies
 55	Tax Consequences of Fringe Benefits
 56	Reporting of Taxable Fringe Benefits
 57	Employee Recognition Activities

# Fringe Benefits Including Awards and Prizes

7

- Draft Policy is published
  - Comment period open - Form GAO-86 coming soon
- Covers many different award types and taxability
  - Health Impact Program (HIP) Awards
  - SECC campaign prizes
  - Agency employee recognition awards and prizes
- 3 Basic Exclusions for Awards & Prizes:
  - *De Minimis* (concerning minimal things, of minimal importance)
  - Award for Achievement or Safety
  - Gift given to qualified charity before received
- If it doesn't meet an exclusion, it is taxable for Federal, State, Social Security, and Medicare at the Fair Market Value

## Exclusion 1: *De Minimis*

8

- De Minimis:
  - Cash and Cash Equivalents:
    - ✦ NEVER qualify and are taxable as wages.  
(ie. a \$5 gift card is taxable)
  - Non Cash items:
    - ✦ IRS: Any non cash property or service provided **infrequently** to an employee that has a value so small that accounting for it is unreasonable and administratively impractical. GAO statewide policy: items must be **\$50.00 or less** to be considered *de minimis*.



## *De Minimis* - Examples

9

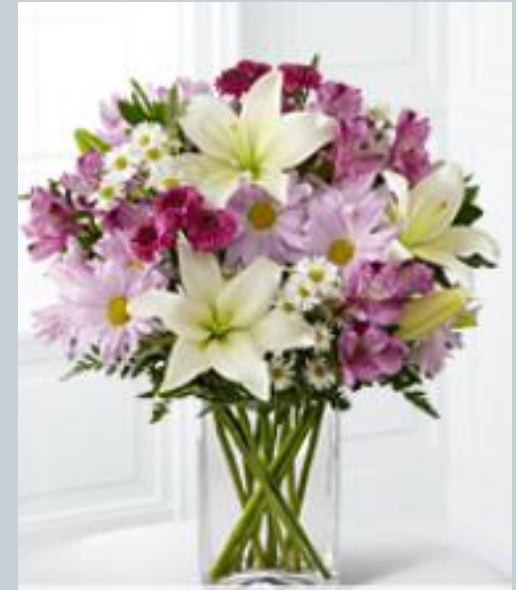
**Remember: It only qualifies if given infrequently.**



**Movie Voucher  
(not a gift card)  
Value \$7-9**



**Pen with  
Laser  
Pointer  
Value  
\$20-\$25**



**Floral  
Arrangement  
Value \$30-\$40**



**Stainless  
Steel  
Coffee  
Mug  
Value  
\$20-\$25**



**Fresh  
Whole  
Turkey  
Value:  
\$15-\$30**

# NOT *De Minimis* - Examples

10



**\$5 cash. Cash in any amount is NEVER de minimis.**  
Why are you giving cash anyway?



**Globe Bookends on Wooden base**  
**Value \$55-\$60**



**Crystal Clock**  
**Value \$80-\$90**



**Movie / Concessions Gift Cards**  
**\$30 stated value.**  
**Gift cards are considered cash equivalents.**



**Portable Bluetooth Speakers**  
**Value \$100**

## Exclusion 2: Employee Achievement or Safety Awards

11

- Awarded at a meaningful presentation
- Given based on length of service or safety
  - Safety: Must have worked 1 full year. Safety awards can't be given to managers, administrators, clerical, professional employees.
  - Length of Service: Can't receive more often than every 5 years.
- Not cash or cash equivalent
- Cannot be disguised wages
- Must have a written plan that doesn't discriminate in favor of highly compensated employees
  - (For 2015, treat anyone who received more than \$115,000 in 2014 as highly compensated).
- Exclude up to \$400 per year
  - (or up to \$1,600 depending on average cost of all awards given).

## Exclusion 3: Given to a Qualified Charity Before Receipt

12

- **Criteria:**
  - Award given for achievement
  - Recipient selected without entering any contest
  - No substantial future services required
  - Recipient agrees to give award to charitable organization prior to receiving
- **Example:**
  - Professor instructs giver of his \$5,000 Teacher of the Year award to be given to the institution he teaches at instead

# Awards to Employees From 3rd Parties

13

- **W-2 Reportable:**
  - If any outside party gives funds or awards to employer who then selects and distributes to employees, item is taxable just as if the employer provided it.
- **1099 Reportable:**
  - If any outside party selects and distributes the award directly without any direction or decision making from agency, then outside party would have the obligation to report employee via 1099-MISC if \$600 or more was provided in the tax year.

# GAO Form-86

• Coming soon

## State of Arizona Arizona Department of Administration General Accounting Office

## REPORTABLE AWARDS AND PRIZES

### INSTRUCTIONS

Use this form to report awards or prizes provided to State of Arizona employees.

Once completed, send this form to your Agency Payroll Office for processing.

Awards or prizes given to State employees that are provided infrequently, not paid in cash (or cash equivalent such as a gift card), and are valued at **less than \$50.00**, are considered *de minimis* and are not required to be reported. Report all other items of value given.

If you have any questions, please contact your Agency Payroll Office.

Some amounts reported here may not be taxable depending on the circumstances. Review [GAO SAAM 5555](#), [5556](#), and [5557](#) regarding Fringe Benefits, Awards, and Prizes for additional information.

### FORM INFORMATION

Agency ID Code Agency Name:

Description  
of Item(s)  
Provided

### PAY CODE OPTIONS:

#### TAXABLE

**510** - Taxable Prize/Award already received

**NEW** - Taxable Prize/Award to be paid with payroll

#### NON-TAXABLE

**NEW** - Non-Taxable Prize/Award

PAY CODE	EIN	EMPLOYEE'S NAME	DATE PROVIDED	AMOUNT OR VALUE

(ATTACH SEPARATE SHEET IF ADDITIONAL ROWS OR LABOR OVERRIDES ARE NEEDED)

### APPROVAL

Prepared By:

SIGNATURE EIN TITLE

Date:

Approved By:

SIGNATURE EIN TITLE

Date:

GAO-86 (5/2015)

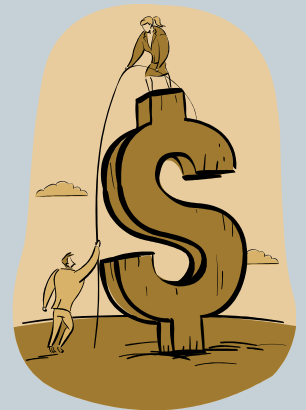
Print Form



# ASRS Statewide Audit

15

- **ASRS Statewide Audit [Feb 2014 – May 2015]**
  - Scope: Fiscal Year 2013
  - Focus: Ineligible Contributors, Contributions Not Withheld (CNW), Alternate Contribution Rate (ACR), Benefits
    - ✦ Findings:
      - Minimal based on volume of transactions (343 findings out of 2.7 Million transactions)
    - ✦ Lessons Learned:
      - Some pay codes needed to be adjusted
      - Intent of Employment is not documented
      - Tracking 20/20 is difficult, but necessary for some
  - Next Steps – Resolution of Findings
    - ✦ Contributions Not Withheld – Agencies Invoiced
      - Pay via warrant directly to ASRS
    - ✦ Ineligible Contributors – Agencies initiate refund
      - Through payroll via One Time Deduction Request (GAO-73A)





# Fiscal Year Intent Review

16

- State law requires participation in the ASRS when all membership criteria are met. A.R.S. § 38-711.23(b) defines members as
  - “... all employees of an employer who are eligible for membership pursuant to section 38-727 and who are engaged to work at least twenty weeks in each fiscal year and at least twenty hours each week.”
- Determine employees to monitor for 20/20 eligibility
  - Employees in Retirement Code 9 are sent to ADOA HR to be communicated to each agency
    - ✦ Cooperation has been extremely helpful in resolving issues quickly
- *Reminder:* Each fiscal year a review of these types of employees needs to be done to determine intent for ASRS 20/20 application
  - Intent of employment at the beginning of the new fiscal year or when a job change occurs



# 20/20 Intent Certification

- Should be completed each fiscal year
  - Intent can change
- Filed in the employee's file
- Signed off on by someone "in the know" of the Intent
  - HR/Supervisor

## ASRS 20/20 CERTIFICATION OF EMPLOYER INTENT FISCAL YEAR \_\_\_\_\_

State law requires participation in the ASRS when all membership criteria are met. A.R.S. § 38-711.23(b) defines members as "... all employees of an employer who are eligible for membership pursuant to section 38-727 and who are engaged to work at least twenty weeks in each fiscal year and at least twenty hours each week."

In order to determine if a particular employee is "engaged to work 20/20", we need to understand if you intend that the employee will work 20/20 in the current fiscal year based on the terms of employment and intended duration. Consider any changes that are believed to occur in the current fiscal year. If no substantial changes to their current work hours are expected to occur, consider the employee's actual work history in the prior fiscal year as an indicator of what they may likely work in the current fiscal year.

The terms of employment and intended duration, as of \_\_\_\_\_, have been reviewed for:

<u>EIN</u>	<u>Employee Name</u>	<u>Position</u>	<u>FTE</u>	<u>Work Schedule</u>
------------	----------------------	-----------------	------------	----------------------

Individuals with personal knowledge of the employer's intent should indicate the agency's intent below.

The agency **ANTICIPATES** that **FOR THE CURRENT FISCAL YEAR**, the employee listed above:

[Check Only One]

☐

WILL WORK at least twenty weeks for at least twenty hours each week.

[Provide any information about FTE, position, work schedule, work projects, expected employment duration, etc. that is known at this time. You can attach additional information if needed.]

☐

WILL NOT WORK at least twenty weeks for at least twenty hours each week.

[Provide any information about FTE, position, work schedule, work projects, expected employment duration, etc. that is known at this time. You can attach additional information if needed.]

I am authorized on behalf of my agency to make this certification.

EIN

Authorized Signature

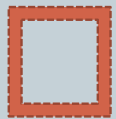
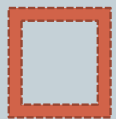
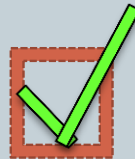
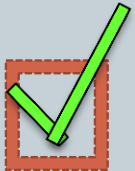
Date

Agency ID / Name

# 20/20 Tracking Report – ZR230

18

- Determine pay codes that compose the 20 hours per week
  - Regular, Holiday, Annual, but no LWOP.
  - ASRS provided feedback
  - Created new Pay Class: R20
- Repurpose an existing report – ZR230
  - Add criterion like EIN, Retirement Code, Sub Totals by week
- Request CCB to assign a HRIS Programmer
- Testing by Central Payroll
- Implementation goal by end of October, 2015



# ASRS Arrears Procedures

19

- Contributions to the State Retirement System are mandatory pursuant to A.R.S. §38-736
- When mandatory ASRS contributions have been missed, there are 2 methods to collect the missed contributions:
  - 1) Additional Payroll Deductions
    - ✦ Submit GAO-73A for additional deductions in pay period increments
  - or
  - 2) ASRS direct billing (called a CNW, Contributions Not Withheld)
    - ✦ Interest added by the ASRS if not paid timely
  - Either remedy should begin within 30 days of discovery

# ASRS Arrears Procedures

20

- Method 1 – Additional Payroll Deductions (preferred)

- Criteria:

- ✦ Current fiscal year missed contributions.
- ✦ Recovery must be finished by end of fiscal year. Any amounts remaining will have to be remitted through the CNW process.
- ✦ Recovery amount must be the full pay period contribution missed.  
For example, can't recover with a flat \$50 every payroll until repaid.  
Can recover two, three, or more missed contributions if the employee elects to, which would greatly speed up the recovery time period.

- Benefits to this method:

- ✦ Contributions are made interest free for the Agency and the Employee.
- ✦ Contributions are taken pre-tax and reduce an employee's Federal and State taxable wage on the W-2.

- How to initiate:

- ✦ Submit a GAO-73A Form to GAO Central Payroll to have a missed contribution deducted from the employee's paycheck.
- ✦ If recovery of several missed contributions will occur over multiple pay periods, submit all GAO-73A Forms for GAO Central Payroll to enter for future pay periods.

# ASRS Arrears Procedures

21

- **Method 2 – ASRS direct billing (CNW, Contribution Not Withheld)**
  - Criteria:
    - ✦ Only method available if missed contributions are for the prior fiscal year or employee is terminated
    - ✦ Generally done when missed contributions are substantial, such as 3 or more missed pay periods or recovery through payroll deduction will create a hardship.
  - Benefits to this method:
    - ✦ ASRS will bill the Agency directly for missed contributions. No interest due if CNW is for the current fiscal year and paid within 90 days.
    - ✦ ASRS will bill the employee directly for missed contributions. If the employee does not pay ASRS, they will not receive ASRS service credit.
    - ✦ After the Agency pays, the Employee has 90 days to pay before interest accrues.
  - How to initiate:
    - ✦ The Agency will complete and remit the CNW Form using the ASRS Employer web portal
    - ✦ ASRS will invoice the Agency and Employee for the missed contributions plus any statutory interest.

# Agency Payroll Guide Updates

22

- Updates are shown on “Revision History”
  - Relieves the necessity of posting web-stories with every update
- Pay Code Inactivation
  - 107A/846A – Temp Employee w/o Retirement
    - ✦ Requires the Agency to manage Retirement by the User Field instead of the pay code
- Updated Forms
  - Tax Tables
  - Overpayment Worksheet
  - Overtime Calculator

# Compensation Strategies

23

- Many different types approved by ADOA HR
  - [http://www.hr.state.az.us/ClassComp/PDF/Compensation\\_Strategies.pdf](http://www.hr.state.az.us/ClassComp/PDF/Compensation_Strategies.pdf)
  - Lump sum: receiving the monies in 1 payment
  - Allocation: a weekly proration of amounts for Retirement and Overtime purposes

Pay Code	Program	Overtime Eligible	Allocation over weeks earned
720	Special Assignment	Yes	Yes
722	Hiring Incentive	Yes	Yes
730	Spot Incentive	No	No
745	Conditional Retention Pay Stipend	Yes	Yes
755	Referral Incentive Payment	No	No
788	Merit Based Incentive – Discretionary	No	Yes
789	Merit Based Incentive – Non-Discretionary	Yes	Yes
790	Goal Based Incentive	Yes	Yes

# Compensation Strategies - Example

24

EIN	Name	Pay Code	Time Record Date	Rate	Allocated
123456	Jack Bauer	790	1/2/15	24	
123456	Jack Bauer	790	1/9/15	24	
123456	Jack Bauer	790	1/16/15	24	
123456	Jack Bauer	790	1/23/15	24	
123456	Jack Bauer	790	1/30/15	24	
123456	Jack Bauer	790	2/6/15	24	
123456	Jack Bauer	790	2/13/15	24	
123456	Jack Bauer	790	2/20/15	24	
123456	Jack Bauer	790	2/27/15	24	
123456	Jack Bauer	790	3/6/15	24	
123456	Jack Bauer	790	3/13/15	24	
123456	Jack Bauer	790	3/20/15	24	
123456	Jack Bauer	790	3/27/15	24	
				312	Lump Sum

- Pay \$312 in a lump sum on 5/28/15 which is to be allocated evenly over the weeks earned



# Compensation Strategies

25

- **Discretionary vs. Non-Discretionary**
  - Few bonuses are discretionary under FLSA
- **Discretionary**
  - §778.211: “Sums paid in recognition of services performed during a given period if \*\*\* (a) both the fact the payment and the amount of the payment are determined at the sole discretion of the employer at or near the end of the period not pursuant to a contract, agreement or promise causing the employee to expect such payment regularly \*\*\*”
    - ✦ Discretionary in one year may not mean it is discretionary in subsequent years
- **Non-Discretionary**
  - Announced to employees to encourage them to work more steadily, rapidly or efficiently and bonuses designed to encourage them to remain with the facility
    - ✦ Attendance bonuses, - Retention Incentive
    - ✦ individual or group production bonuses, - Goal Based Incentive
    - ✦ bonuses for quality and accuracy of work, - Merit Based Incentive
    - ✦ bonuses contingent upon the employee’s continuing employment until the time the payment is to be made – Retention Incentive

# Compensation Strategies – in June

26

- **Deadline: No bonuses should be scheduled for June 25th payroll**
  - If any errors occur, there is no time left to correct in FY15
  - GAO recommends any bonuses approved to be paid out of FY15 funds should be scheduled no later than the June 11th payroll
  - No Handwrites issued for strategy payments
- **Please coordinate with Agency Leadership as soon as possible to ensure bonuses can be paid as intended**
  - Contact GAO Central Payroll to coordinate timing

# Travel Policy Update – Effective 5/1/2015

27

- Travel Policy (SAAM 50XX)
  - Expanded delegation of authority to Agency heads to approve certain travel claims (SAAM 5007)
  - All claims must be submitted within 30 days after completion of travel to be considered timely
- Untimely Filed Travel Claims (SAAM 5056)

Delinquent Travel Claim Filed Number of Months After Travel	GAO-513 Must Be Signed by
More than one (1), but less than three (3)	The Traveler <u>and</u> The Traveler's Supervisor <u>or</u> Manager
Three (3) or more, but less than five (5)	The Traveler <u>and</u> The Traveler's Supervisor <u>or</u> Manager <u>and</u> The Traveler's Agency Head <u>or</u> CFO
Five (5) or more	The Traveler <u>and</u> The Traveler's Supervisor <u>or</u> Manager <u>and</u> The Traveler's Agency Head <u>or</u> CFO <u>and</u> The State Comptroller



# Transit Card Billing Update – 7/1/2015

28

- **Billing will be on Calendar Month Basis**
  - Initiated by City of Phoenix
  - Update on Capitol Rideshare website: <http://www.capitolrideshare.com/>
- **Transitional period in the month of June**
  - Regular billing: May 24th – June 23rd
  - Extended billing: June 24th – June 30<sup>th</sup>
  - Billable Costs for May 24th through June 30th capped at the regular monthly pass rate
- **July 23, 2015 Pay Date**
  - One-time 5 week bill
    - ✦ Regular plus Extended billing charges
- **August 2015**
  - July 1st – July 31st billing charges

# Legislative Update – Effective 7/3/2015

29

- **SB1480 – Agency Consolidations**
  - Merges the Department of Racing (RC) into the Department of Gaming (GM)
  - Merges the Board of Appraisal (AP) into the Department of Financial Institutions (BD)
  - Transfers behavioral health services from the Department of Health Services to AHCCCS (HC) (delayed until 7/01/2016)
- **SB1121 – Election to opt out of ASRS (Eff. 4/1/2015)**
  - Continues to allow new hires who are at least 65 years old and meet specific criteria (including not having any credited or prior ASRS service) to opt out of ASRS
  - Still requires eligible employee to make the election in writing within 30 days of employment; election is irrevocable for remainder of the person's employment

# New Retirement Rates - Effective 7/1/15

## RETIREMENT PLAN DEDUCTIONS

CODE		RETIREMENT PLAN	EMPLOYEE			EMPLOYER		
			DED	FY15	FY16	DED	FY15	FY16
			CODE	RATE	RATE	CODE	RATE	RATE
1	ASRS	PLAN-ASRS	7903	11.48%	11.35%	7904	11.48%	11.35%
1E	ASRS EO	ELECTED OFFICIALS ASRS PLAN	7919	11.48%	11.35%	7920	11.48%	11.35%
2	CORP	JUVENILE CORRECTIONS (501)	7905	8.41%	8.41%	7906	17.00%	22.95%
3	ECORP	ELECTED OFFICIALS & JUDGES (415)	7907	13.00%	13.00%	7908	23.50%	23.50%
3E	EODCRS	ELECTED OFFICIALS DEFINED CONTRIBUTION (NTWD)	7813	8.00%	8.00%	7814	6.00%	6.00%
4	PSRS	PUBLIC SAFETY (007) (ER pays 5% EE share)	7909	6.05%	6.65%	7910	62.81%	81.00%
5	PSRS	GAME & FISH (035)	7911	11.05%	11.65%	7912	66.78%	88.56%
6	PSRS	AG INVESTIGATORS (151)	7913	11.05%	11.65%	7914	105.19%	70.46%
7	PSRS	DEMA (FIRE FIGHTERS) (119)	7915	11.05%	11.65%	7916	23.39%	31.34%
9	NA	NO RETIREMENT						
0	CORP	CORRECTIONS (500)	7901	8.41%	8.41%	7902	14.47%	18.54%
B	PSRS	LIQUOR CONTROL OFFICER (164)	7923	11.05%	11.65%	7924	51.10%	69.19%
F	PSRS	STATE PARKS (204)	7931	11.05%	11.65%	7932	32.90%	42.85%
G	CORP	PUBLIC SAFETY DISPATCHERS (563)	7933	7.96%	7.96%	7934	13.92%	17.62%
H	PSRS	DEFERRED RETIREMENT OPTION PLAN (DROP)	7957	11.05%	11.65%			
J	CORP	PUBLIC SAFETY DETENTION OFFICERS (564)	7961	8.41%	8.41%	7962	6.93%	7.00%
S2	CORP	SUPP BENEFIT - JUVENILE CORRECTIONS				7966	25.41%	31.36%
S4	PSRS	SUPP BENEFIT - PUBLIC SAFETY				7970	68.86%	87.65%
S5	PSRS	SUPP BENEFIT - GAME & FISH				7972	77.83%	100.21%
S6	PSRS	SUPP BENEFIT - AG INVESTIGATORS				7974	116.24%	82.11%
S7	PSRS	SUPP BENEFIT - FIRE FIGHTERS				7976	34.44%	42.99%
S0	CORP	SUPP BENEFIT - CORRECTIONS				7964	22.88%	26.95%
SB	PSRS	SUPP BENEFIT - LIQUOR CONTROL OFFICER				7978	62.15%	80.84%
SF	PSRS	SUPP BENEFIT - STATE PARKS				7980	43.95%	54.50%
SG	PSRS	SUPP BENEFIT - PUBLIC SAFETY DISPATCHERS				7968	21.88%	25.58%
SJ	CORP	SUPP BENEFIT - PUBLIC SAFETY DETENTION OFCRS				7982	15.34%	15.41%
	ASRS	LTD ASRS	7509	0.12%	0.12%	7508	0.12%	0.12%
	PSRS	LTD PSRS (HARTFORD)				7520	0.25%	0.25%
	PSRS	EODCRS DISABILITY	7987	0.13%	0.13%	7988	0.13%	0.13%

# New ERE Rates - Effective 7/1/15

## OTHER DEDUCTIONS AND EMPLOYER RELATED EXPENSES

			EMPLOYEE			EMPLOYER		
EMPLOYER RELATED EXPENSES			DED			DED	FY15	FY16
			CODE	RATE		CODE	RATE	RATE
		UNEMPLOYMENT INSURANCE (SUTA)				T202	0.100%	0.100%
		TECHNOLOGY CHARGE (ADOA ASET)				3800	0.200%	0.200%
		HR PRO RATA				3802	0.830%	0.830%
		ACCUM SICK ERE (RASL)				3804	0.400%	0.400%
		WORKER'S COMPENSATION (PR18.1)				3806	varies by job class	varies by job class
		COUNSEL SERVICES (AG PRO RATA)				3808		
		HR PRO RATA (PERSONNEL BOARD)				3810	0.030%	0.030%
PSRS		ALT CONTRIBUTION RATE - DPS (007)				7936	19.650%	28.620%
CORP		ALT CONTRIBUTION RATE - DOC (500)				7938	7.340%	11.330%
EOCP		ALT CONTRIBUTION RATE - EO&J (415)				7940	23.500%	23.500%
CORP		ALT CONTRIBUTION RATE - DJ (501)				7942	7.340%	11.330%
CORP		ALT CONTRIBUTION RATE - DISP (563)				7944	7.340%	11.330%
PSRS		ALT CONTRIBUTION RATE - G&F (035)				7946	19.650%	28.620%
PSRS		ALT CONTRIBUTION RATE - AGI (151)				7948	19.650%	28.620%
PSRS		ALT CONTRIBUTION RATE - FIRE (119)				7950	19.650%	28.620%
PSRS		ALT CONTRIBUTION RATE - LIQ (164)				7952	19.650%	28.620%
PSRS		ALT CONTRIBUTION RATE - PARK (204)				7954	19.650%	28.620%
ASRS		ALT CONTRIBUTION RATE - ASRS				7956	9.570%	9.360%
ASRS LEGACY		ASRS LEGACY (415)				7984	12.020%	12.150%
EODCRS LEGACY		EODCRS LEGACY (415)				7986	17.500%	17.500%



# Handwrites through Fiscal Year End

32

- Should be kept to a minimum to avoid IT file issues
- Travel & Other Reimbursement handwrites allowed June 24-29, 2015
  - Minimum handwrite threshold lowered from \$100 to \$10
- GAO will be verifying cash and appropriation availability in AFIS
- June 30 – July 5, 2015
  - NO HANDWRITES, PLEASE PLAN AHEAD!
  - Agencies with reverting appropriations will need to use Admin Adjustment process in AFIS to charge (AY) 2015
  - Agencies with continuing appropriations can be keyed with appropriate sub-account (AY) with new COA elements





# BREAZ Project Update

33

- Check out the website: <https://gao.az.gov/projects/breaz>



- Check out the website
  - <https://gao.az.gov/trainingevents/end-user-training>
- Register through YES for Required Training
  - GAO Training & Events
- Specific questions should be addressed to your BREAZ Agency Coordinator (AC)

# HRIS Integration Update – March & April

34

- User Acceptance Testing concluded in April
- Position Mapping Templates were distributed to agencies after the March Agency Coordinator meeting
  - Mapping of XP02 – Position
  - Mapping of XR23.3 - Multiple Labor Distribution Position
  - Mapping of ETE Templates
- Agency Position Mappings were due 4/24/15
- As of today ,we have received Positions Mapping from:
  - 105 agencies (out of 114)
  - 59,000 (Filled and Vacant) Positions (out of approx. 63,000)

# HRIS Integration Update – May & June

35

- Conversion of Chart of Accounts (COA) Elements related to HRIS Integration
- Conversion of all active Positions mapped to new COA Elements
- Purge process of current XR23.3 – Multiple Labor Distribution for Positions
- Interface of the new XR23.3 – Multiple Labor Distribution for Positions

# Expense Distribution Elements

36

- Labor Distribution determines how payroll expenditures are posted to AFIS. It is supported by a fixed number of HRIS elements:
  - GL Company
  - Accounting Unit
  - Activity
  - Account Category
  - Account
  - Sub Account
- Mapping the existing HRIS Labor Distribution elements to New AFIS is a critical part of the HRIS integration.
- The New AFIS Function will be used as the primary element for HRIS Integration.
  - New AFIS Functions will map to the HRIS Accounting Unit and will enable the inference of the majority of COA elements.



# Defining a Function in AFIS

37


- For these Functions, the following elements will be **required** on the Function Inference Table:
  - Fund
  - Appropriation Unit
  - Unit
  - Task
- ***If all 4 fields are not populated, integration will fail.***
- If the Function Type “*HRIS*” or “*HRLG*” Rollup is selected, then the Object and Department Object will be disallowed on the Function Inference Table.

## Function Inference


	Fiscal Year	Department	Function
✓	2015	WFA	23001
	2015	WFA	23002
	2015	WFA	23003
	2015	WFA	23300
	2015	WFA	81100
	2015	WFA	81102
	2015	WFA	81104
	2015	WFA	81106
	2015	WFA	81107
	2015	WFA	81108

First Prev [Next](#) Last[Save](#) [Undo](#) [Delete](#) [Insert](#) [Copy](#) [Paste](#) [Search](#)\*Fiscal Year : 2015 \*Department : WFA 


WATER INFRASTRUCTURE FINANCE AUTHORITY

\*Function : 23001 


GADA Operating Expenses

Fund : WF2311 


GREATER AZ DEVELOPMENT AUTHORITY RVLVING

Sub Fund : WF2310 










Pledged Collateral Reserve Fund

Appr Unit : WF23111 



Greater Arizona Development Authority

Unit : 1000 


GADA Operations

Sub Unit : Object : Sub Object : Revenue : Sub Revenue : Dept Object : Dept Revenue : Debt ID : Location : Sub Location : Activity : Sub Activity : Reporting : Sub Reporting : Task : GADA 

Greater Arizona Development Authority

Sub Task : Task Order : Program : GADAOPEXP 

GADA OPERATING EXPENSE

Phase : Program Period : 

Fiscal Year : 2015  
Department : WFA  
WATER INFRASTRUCTURE FINANCE AUTHORITY  
Function : 23001  
GADA Operating Expenses

1 Fund : WF2311  
GREATER AZ DEVELOPMENT AUTHORITY RVLVING  
Sub Fund : WF2310  
Pledged Collateral Reserve Fund

2 Appr Unit : WF23111  
Greater Arizona Development Authority

3 Unit : 1000  
GADA Operations

Sub Unit :

Object :

Sub Object :

Revenue :

Sub Revenue :

Dept Object :

Dept Revenue :

Debt ID :

Location :

Sub Location :

Activity :

Sub Activity :

Reporting :

Sub Reporting :

4 Task : GADA  
Greater Arizona Development Authority

Sub Task :

Task Order :

Program : GADAOPEXP

GADA OPERATING EXPENSE

Phase :

Program Period :



## Function



	Fiscal Year	Department	Function	Name	Active	Effective From	Effective To
✓	2015	WFA	23001	GADA Operating Expenses	Yes	<b>HIGHLIGHT THE FUNCTION</b>	
	2015	WFA	23002	GADA Technical Assistance	Yes		
	2015	WFA	23003	GADA Financial Assistance	Yes		
	2015	WFA	23300	Water Supply Development Fund	Yes		
	2015	WFA	61100	Clean Water Borrower Debt Service Reserve	Yes		

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### ▼ General Information


\*Fiscal Year : 2015  Effective From :  

\*Department : WFA  Effective To :  


\*Function : 23001 Active : ☒


\*Name : GADA Operating Expens Budgeting : ☒


\*Short Name : GADA Admin Description :


Contact Code :  

### ▼ Rollups

Function Class : GADA 

Function Category : GADA 

Function Type : HRIS 

Function Group :  

**TO TRIGGER INTERFACE  
BETWEEN AFIS & HRIS  
MUST = “HRIS” OR “HRLG”**



# Optional HRIS Expense Distribution Elements

41

- Accounting elements in addition to Function are available for HRIS and HRIS Employee Time Entry (ETE):
  - Program, Program Period
  - Program, new AFIS Activity (State Forester Office specific)
  - Program, Program Phase and new AFIS Activity (ADOT specific)
  - Location, Sub Location and new AFIS Activity (DEQ specific)
- These elements may be left blank if they are inferred by Function or if your Agency does not use Project Accounting/Cost Allocation in AFIS
- Currently, ALL Programs and Program Periods are scheduled to be interfaced to HRIS.
  - To exclude Program
    - ✦ Program Setup
    - ✦ Program Category Roll Up = “EXCL”

Department	Program	Name	Major Program	Active	Effective From	Effective To	Billing Agreement Date	Reimb Status
WFA	GADAFIN	GADA FINANCIAL ASSISTANCE	GADA	Yes				Suspended for Reimbursement
✓ WFA	GADAOPEXP	GADA OPERATING EXPENSE	GADA	Yes				Suspended for Reimbursement
WFA	GADATECH	GADA TECHNICAL ASSISTANCE	GADA	Yes				Suspended for Reimbursement

First Prev Next Last Attachments

Save [Undo](#) Delete Insert [Copy](#) Paste [Search](#) 

▼ General Information

\*Department :

\*Program :

Auto Generate : ☐

Prefix :

\*Name :

\*Short Name :

\*Major Program :

Sub Account :

Site Location :

Program Status :

Effective From :

Effective To :

Billing Agreement Date :

Active : ☒

Budgeting : ☒

Reimb Status :

Reimb Eligible : ☐

Reclass Exclusion : ☐

Major Program Effective Start Date :

Major Program Effective End Date :

► General Options

▼ Rollups

Program Class :

Program Category :

Program Type :

Program Group :

**TO EXCLUDE FROM INTERFACE  
BETWEEN AFIS & HRIS  
MUST = “EXCL”**

# New AFIS Integration Triggers

43

NEW AFIS	LEGACY AFIS	ACTION
FUNCTION FORM	H01	adds, changes, or inactivates <b><u>Accounting Unit</u></b> in HRIS 2 character DEPARTMENT + FUNCTION
COST ALLOCATION DOCUMENT	H02	adds, changes, or inactivates <b><u>Activity</u></b> in HRIS 2 character DEPARTMENT + PROGRAM PROGRAM PERIOD
COST ALLOCATION DOCUMENT	H03	adds, changes, or inactivates <b><u>Account Category</u></b> in HRIS ACTIVITY

**Before inactivating elements, be sure employees do not have any of the elements to be inactivated in their labor distribution**

**Check HRIS XP02 and XR23.3 or contact Labor Distribution specialist**

# Mapping HRIS Expense Distribution Elements

44

- HRIS GL Company = 1
- HRIS Accounting Unit = Department Code (2) + Function (10)
  - Example
    - ✦ Department (Agency): ADA
    - ✦ Function: GAO55221
    - ✦ HRIS Accounting Unit = ADGAO55221

Expense Account	1	ADGAO55221	6011	2016
Activity	DEFAULT: AD0		ZZZZZ	

- Function Type Rollup of “HRIS” or “HRLG” must be used by Agencies for a Function to be available for use in HRIS
  - This is the trigger for interfacing between AFIS & HRIS

# HRIS Position Update Limitations

45

- Due to the upcoming implementation of the Business Re-Engineering Arizona (BREAZ) project, there will be some limitations on position changes during the month of June.
  - June 1, 2015 to June 12, 2015:
    - ✦ ADOA is requesting that position changes be kept to a minimum. During this timeframe, please submit or process only position changes that are critical. All non-critical position changes should be delayed until June 22, 2015 or later.
  - June 13, 2015 to June 21, 2015:
    - ✦ There will be a temporary moratorium on all position changes. The “Add” and “Change” buttons on the ZPO2, ZPO4 and XPO2 will be unavailable during this timeframe.
  - June 22, 2015:
    - ✦ Position changes and CC Express will resume as normal.

# HRIS Position Update Limitations

46

- Due to the conversion, please do not use 6/20/2015 or greater on any Position until after the Statewide update
- June 20th – 21st – Statewide Update:
  - GAO will be updating all Positions with a new Effective Date of 6/20/2015 and new COA Elements
    - ✦ Prior to the update, do not use 6/20/2015 as an Effective Date or End Date
- Personnel Action “POSUPDATE” cannot be dated 6/20/2015: Reserved
  - Each employee will have a Personnel Action POSUPDATE to indicate that the Positions with Effective Date 6/20/2015 will be used
- No updates to Positions between 6/15/2015 – 6/20/2015
  - Add/Change actions on the forms will be temporarily removed
  - Allows the Statewide update without Positions being missed
  - All HR Coordinators were notified

# HRIS Statewide Position Update

47

- June 20th - 21st – HRIS Unavailable
  - XP02/ZP02 will be updated
    - ✦ Every Position updated with new Chart of Account (COA) Elements
    - ✦ Updating Sub-Account (AY) 2015 to (AY) 2016
    - ✦ Errors must be fixed by July 2, 2015 to prevent errors with ETE
      - Focus on Filled Positions
- July 1 – HRIS Unavailable
  - XR23.3 will be updated
    - ✦ Purge current XR23.3 records
    - ✦ Load new COA elements based on Agency submitted files

« Previous ? Inquire ▶ Next Inquire ▼

Company Position Effective  - Update Employees, Requisitions 

Main

Structure

Payroll

Annual Hours Salary Class Pay Frequency Pay Rate Exempt from Overtime Pay Plan Schedule, Grade, Step Expense Account Activity Encumbrance Position



# HRIS Expense Distribution Update

49



- Position with current COA Elements End Dated

**Effective**   -  

- New Position Effective Date & COA Elements
  - Applied without any further action at the agency level

**Effective**   -  

Expense Account        

Activity    

# HRIS Prior Pay Period Adjustments

50

- During June 24th – 30th, GAO will be monitoring Labor Distribution to ensure it is charged to new Labor Structure & Sub-Account (AY) will be processed on 7/9/2015 (FY16)
  - GAO emailing agencies to make corrections prior to 7/7/2015 compute
- Be prepared to spend more time on adjustments
  - Prior Pay Period Overtime
  - Retroactive Payments – by HR or awards by Risk Mgt for Worker's Comp
  - Compensation Strategy Allocations
  - Reclassification of time records (FMLA)
  - Reimbursements including Travel
- July 1st: old COA Elements will be Inactivated
  - The time record date will attach the old expense structure
  - Requires manual override of expense structure to each time record dated 6/19/2015 and prior.
  - Use the Activity Default: XX0 to blank out old expense structure
    - ✦ XX = 2 letter Department Code i.e. AD0

# AFIS Payroll Corrections

51

- **Current AFIS requires**
  - User Class 47
  - Access to Batch Type 9
- **New AFIS requires**
  - Payroll Analyst Role (DEPT\_PYRL\_ANLST)
  - Update access to Document PEDF1
- **Contact your AFIS Level 1 Support for assistance**
  - Each Agency has an appointed contact that you should go to first
  - If your Level 1 needs assistance, they will contact the GAO Liaison

Welcome, agency princess joanna

[Procurement](#) [Budgeting](#) [Accounts Receivable](#) [Accounts Payable](#)

UAT - Financial

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## Document Catalog

[Create](#) 

## ▼ Document Identifier

Code :   Unit : 

Dept :  ID : 

## ▶ User Information

## ▶ Document State

[Browse](#) [Clear](#)
[Open](#) [Validate](#) [Submit](#) [Copy](#)

	Code	Dept.	Unit	ID	Comments	Version	Function	Phase	Status	Date	User ID	Amount	Active
<input type="checkbox"/>	PEDF1	MIA		<a href="#">S15032000001</a>	No	1	New	Final	Submitted	3/8/15	integration	\$22,482.15	Yes
<input type="checkbox"/>	PEDF1	MIA		<a href="#">S15032000002</a>	No	1	New	Final	Submitted	3/8/15	integration	\$8,226.36	Yes
<input type="checkbox"/>	PEDF1	MIA		<a href="#">S15032000003</a>	No	1	New	Final	Submitted	3/8/15	integration	\$13,140.37	Yes

First Prev Next Last

[Menu](#)

**Rejected  
requires  
Action**

## Header

Vendor

Total Lines: 1

Vendor Line: 1

Vendor Customer:

Legal Name:

Accounting

Total Lines: 10+

Accounting Line: 1

Line Amount: \$12,711.54

Line Open Amount: \$12,711.54

Accounting Line

Line Amount

Line Closed Amount

Line Open Amount

Event Type

1

\$12,711.54

\$0.00

\$12,711.54

HRZ1

2

\$414.00

\$0.00

\$414.00

HRZ1

3

\$1,288.95

\$0.00

\$1,288.95

HRZ1

4

\$1,601.61

\$0.00

\$1,601.61

HRZ1

5

\$1,194.42

\$0.00

\$1,194.42

HRZ1

6

\$2,709.70

\$0.00

\$2,709.70

HRZ1

7

\$5.52

\$0.00

\$5.52

HRZ1

8

\$19.21

\$0.00

\$19.21

HRZ1

9

\$15.60

\$0.00

\$15.60

HRZ1

10

\$18.32

\$0.00

\$18.32

HRZ1

From 1 to 10 Total: 10+

First

Previous

Next

Last

Go to line: 

Go

List View

General Information

Reference

Fund Accounting

Detail Accounting

Service Dates

Additional Amounts

Fund: 1000

Object: 6011

OBSA:

Sub Fund:

Sub Object:

Sub OBSA:

Department: MIA

Revenue:

Dept Object: 6011

Unit: 1110

Sub Revenue:

Dept Revenue:

Sub Unit:

BSA:

Appr Unit: MI10000

Sub BSA:

Posting

Posting Line: 1

## Header

Vendor Total Lines: 1 Vendor Line: 1 Vendor Customer: Legal Name:

## Accounting

Total Lines: 10+ Accounting Line: 1 Line Amount: \$12,711.54 Line Open Amount: \$12,711.54

Accounting Line	Line Amount	Line Closed Amount	Line Open Amount	Event Type
1	\$12,711.54	\$0.00	\$12,711.54	HRZ1
2	\$414.00	\$0.00	\$414.00	HRZ1
3	\$1,288.95	\$0.00	\$1,288.95	HRZ1
4	\$1,801.81	\$0.00	\$1,801.81	HRZ1
5	\$1,194.42	\$0.00	\$1,194.42	HRZ1
6	\$2,709.70	\$0.00	\$2,709.70	HRZ1
7	\$5.52	\$0.00	\$5.52	HRZ1
8	\$19.21	\$0.00	\$19.21	HRZ1
9	\$15.60	\$0.00	\$15.60	HRZ1
10	\$18.32	\$0.00	\$18.32	HRZ1















From 1 to 10 Total: 10+

First

Previous

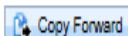
Next

Last

Go to line:   List ViewGeneral Information Reference Fund Accounting **Detail Accounting** Service Dates Additional AmountsLocation: Reporting: Major Program: Sub Location: Sub Reporting: Program: Activity: 10000 Task: 4000 Phase: Sub Activity: Sub Task: Program Period: Function: 14944 Task Order: Sub Function: 

Posting

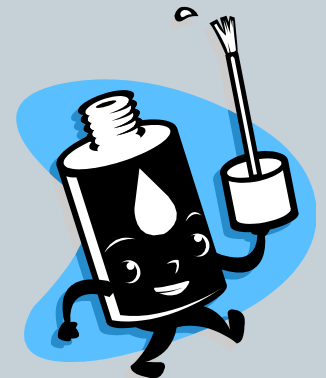
Posting Line: 1



# Reminder: Payroll Corrections in AFIS

55

- As of December 2, 2013, agencies are responsible for correcting AFIS Payroll transactions related to Expense Structure Errors
- GAO is monitoring that corrections are processed in a timely manner
- Questions regarding the process can be directed to your GAO AFIS Liaison



# HRIS Critical Dates - June - July 2015

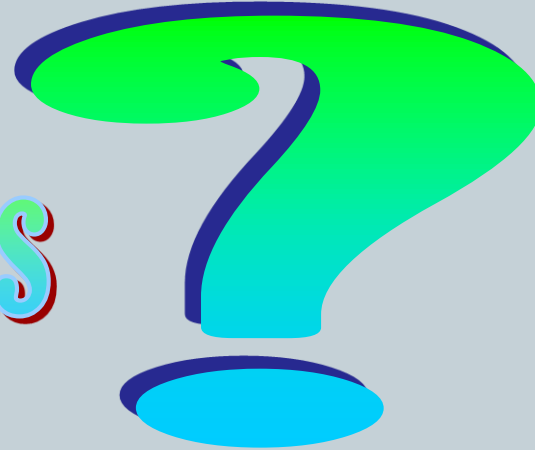
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
31	1 <b>JUNE</b> Updates to 4/23/15 Position Mapping Due <b>NO REORGs UNTIL 7/6/15</b> <b>NO NEW POSITIONS UNTIL 6/22/15</b>	2	3	4	5	6 PAY PERIOD BEGIN
7	8	9 <b>COMPUTE</b>	10	11 PAYDAY 12	12 PAY PERIOD END  ETE Templates with new expense elements due	13 <b>POSITION MORATORIUM</b>
14	15	16	17	18	19	20 PAY PERIOD BEGIN
<b>POSITION MORATORIUM</b>						<b>HRIS DOWN</b>
	Flash Copy of AFIS PROD Expense Elements for 6/20/2015 update				ETE CUTOFF 6PM (NO EXCEPTIONS)	ETE Templates loaded
21	22 Agency: Check ZS535 ETE EXTRACT error report	23 <b>COMPUTE</b>	24	25 PAYDAY 13	26 PAY PERIOD END	27 XP/ZP02 UPDATED TO AY2016 AFIS COA ELEMENTS UPDATED
<b>HRIS DOWN</b> XP/ZP02 UPDATED TO AY2016 AFIS COA ELEMENTS UPDATED		<b>6/24 - 6/30</b> PRIOR PAY PERIOD ADJUSTMENT LABOR WILL DEFAULT TO OLD EXPENSE STRUCTURE. MUST UPDATE TO NEW EXPENSE STRUCTURE.				
<b>LABOR WILL DEFAULT TO AY2016. MUST FIX FOR HANDWRITES</b>						
28	29 <b>LAST CHANCE TO PAY IN FY2015 NOON DEADLINE</b>  LABOR WILL DEFAULT TO AY2016. MUST FIX FOR HANDWRITES	30 <b>NO HANDWRITES</b>  Last Day to Update AFIS Labor for 7/7/2015 compute. Flash Copy of AFIS PROD Expense Elements for 6/30/2015 update	1 <b>JULY</b> <b>HRIS VIEW ONLY NO HANDWRITES</b>  Retirement Plan Updates	2 <b>HRIS VIEW ONLY NO HANDWRITES</b>	3 4TH OF JULY HOLIDAY	4 PAY PERIOD BEGIN
<b>6/24 - 6/30</b> ADJUSTMENT LABOR WILL DEFAULT TO OLD EXPENSE STRUCTURE. MUST UPDATE TO NEW EXPENSE STRUCTURE.			XR23.3 UPDATED AFIS COA ELEMENTS UPDATED		PAY PERIOD END	
5	6 Agency: Check ZS535 ETE EXTRACT error report	7 <b>COMPUTE</b>  <b>NEW AFIS GO LIVE!</b>	8 AFIS HRIS Function Interface begins	9 PAYDAY 14	10	11



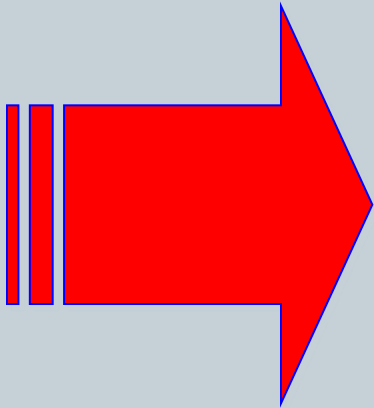
# The End



any questions



**Next Meeting:**



**Calendar Year End**  
**Statewide Payroll Meeting**  
**Monday, November 16, 2015**  
**ADOA Conference Room 300**